1. Welcome and adoption of the agenda

**Outcome:**
The Chair welcomed the participants and in particular the new members from NCBs following the recent rotation of NCBs with Li-Chun Yuan (LU), Katharina Selzer-Haas (AT), Kirsi Ripatti (FI), Mihkel Nommela (EE) and Martynas Rajuncius (LT).

The members agreed on the agenda.

The EC representative provided an update on ongoing initiatives in the field of payments, covering the PSD2/RTS implementation by September 2019 (both SCA implementation and APIs implementation for PSD2 access to payment account), the publication of the revised Cross-Border Regulation (the scope of which has been extended regarding the transparency of currency conversion charges).

2. Instant payments

2.1. Update on instant payments implementation

The ECB will provide a status update on TIPS. AMI-Pay participants will be invited to update on the status of instant payments implementation in their institution/market.

**Document:**

*Presentation – TIPS update*
**Outcome:**

The ECB provided a status update on TIPS covering the TIPS operations, the TIPS release 2.0 to be deployed on 17-18 November 2019, the TIPS Consultative Group established to collect input from TIPS users, and the proof of concept (PoC) with the SWIFT GPI.

AMI-Pay participants took note of the update. With regard to the SWIFT GPI PoC, one member stressed that such an arrangement has implications beyond technical changes notably as regards the one-leg out framework, in particular regarding AML screening. The ECB noted that the PoC is conducted in a conservative approach from an AML perspective to have a PoC as close as possible to be implemented in reality including as regards one leg-out payments. The EPC noted that the issue of one leg-out is still being considered at the EPC level.

A participant – also acting as instructing party in TIPS - offered the help of instructing parties to contribute to the work of the TIPS Consultative Group. Recognising that the TIPS Consultative Group is limited to TIPS users (i.e. banks connected to TIPS), this representative offered to consider alternative options such as possibly providing input ahead of the TIPS Consultative Group meetings.

The participants reported on the progress of instant payments implementation in their market and the adoption of SCT Inst as a new normal. The adoption of instant payments appears to be progressing and three points of attention were raised to be addressed, i.e.:

- maximum amount set by the scheme (which will be reviewed as part of the regular review process) which would limit some use cases;
- potential fraud stressing the need for a common approach on this issue and strong KYC. The EPC – in their role as SCT Inst scheme manager – noted that despite fraud not being a critical issue so far, they are working on this topic.
- pan-European reachability with at least in some countries only a solution provided via the local ACH.

The EC representative stressed the importance of pan-European instant payments implementation noting that this topic will be considered by the PSMEG meeting on 15 May.

### 2.2.  Liquidity provision measures for instant payments outside TARGET2 opening hours

Following the inquiry of a market participant, AMI-Pay will be invited to have an exchange about solutions allowing payment service providers to raise additional liquidity for instant payments outside TARGET2 opening hours in the event of unforeseen circumstances or a failure of pre-funding procedures.
Outcome:
Following the request of a market participant, the ECB invited members to share their views on the need for a possible pan-European solution allowing payment services providers to raise additional liquidity for instant payments outside of TARGET2 opening hours in the event of unforeseen circumstances or a failure of pre-funding procedures.

The members generally saw benefits in developing a harmonised European procedure to increase liquidity in emergency situations, over the medium-term considering the anticipated pace of development of instant payments.

Follow-up:
Further work will be conducted to define which kind of harmonised arrangement is needed by when, possibly in a staggered approach, starting with the provision of liquidity for instant payments in emergency situations.

2.3. Value dating - review of the application of the AMI-Pay non-binding market practice
The AMI-Pay non-binding AMI-Pay market best practice for value dating was finalised and published end-August 2018. As a follow-up, AMI-Pay participants are invited to report and discuss the status of implementation of this best practice.

Outcome:
Participants were invited to report on the status of implementation of the AMI-Pay non-binding market practice on value dating for instant payments. No issues were reported on the market practice itself. As regards the value dating of transactions crossing different time zones, one member stressed the impact that the ongoing discussions on the seasonal changes of the time (summer/winter time) could have from a payments perspective. The ECB will raise this point to the European Commission.
3. **T2-T2S consolidation – milestones for TARGET2 participants**

The ECB will present the enhanced list of key milestones for TARGET2 participants to ensure their readiness for the go-live of T2-T2S Consolidation project.

*Document:*

*Presentation – enhanced list of key milestones for future T2 service participants*

*Outcome:*

Following to the November 2018 AMI-Pay meeting, the ECB presented the status of existing milestones for monitoring the readiness of TARGET2 participants for the go-live of the T2-T2S consolidation project, as well as the enhanced list of milestones developed with the involvement of the TCCG.

AMI-Pay agreed on the list of the enhanced milestones.

Following the remark of a member on the deadlines, the ECB noted that a more ambitious approach was favoured from a project perspective to allow raising risks earlier rather than facing difficulties later.

4. **TARGET2**

4.1. **Update on TARGET2 operations**

The ECB will provide an update on the latest developments of TARGET2 operations and on the upcoming release 13.0 (Nov 2019).

*Document:*

*Presentation – TARGET2 operations*

*Outcome:*

The ECB provided an update on TARGET2 operations covering the overall traffic development as at March 2019, the TARGET2 financial performance, the related envisaged changes in TARGET2 (with in particular the enhancements of the existing contingency module), as well as the publication of the TARGET Annual Report 2018.

The members took note of the update.
4.2.  Enhanced contingency solution

The ECB will provide an update on the enhanced contingency solution in TARGET2.

*Document:*
*Presentation – TARGET2 enhanced contingency solution*

**Outcome:**
The ECB presented the enhanced contingency solution (ECONS) for TARGET2 recalling the arrangement in place to cope with a full outage of the TARGET2 Single Shared Platform, explaining the concept of the ECONS and major difference compared to the existing arrangements.

ECONS will be implemented with the TARGET2 SSP release 13.0 in November 2019, with testing starting in September 2019. Going forward, ECONS will be the basis for the contingency arrangement to be implemented in the context of the T2-T2S consolidation (referred to as ECONS II).

AMI-Pay participants took note of the update.

4.3.  Euro large value payments volumes evolution

AMI-Pay participants will be invited to share their most realistic expectations as regards the evolution of volumes for the entire euro large value payments market in the coming years. The AMI-Pay members estimation in this regard is needed as an input for preparing the upcoming pricing policy of the future T2 (RTGS) service.

**Outcome:**
The ECB presented an update of euro large value payments evolution to date, asking AMI-Pay participants their prospects as regards the future market volumes evolution in the short-run (next 3 years, i.e. until consolidation go-live), in the medium-run (2022-2026, i.e. first five years of the operation of the new service, T2) and in the long-run (as of 2027).

Following the same approach as with AMI-SeCo regarding T2S, AMI-Pay NSGs will be asked to provide their local estimations on their respective markets’ volumes growth rates by 28 May for three scenarios: an optimistic, a neutral and a pessimistic one.
4.4.  End-point security

The ECB will present the experience gained with applying the measures to strengthen the end-point security of TARGET2 participants.

**Document:**

*Presentation – strengthening of end-point security for TARGET2 participants*

**Outcome:**

The ECB provided an update on results of the application of the arrangements to promote end-point security in TARGET2 as TARGET2 operator, i.e. (i) measures to ensure the security and operational reliability of TARGET2 participants (TARGET2 self-certification mechanism and incident reporting scheme) and (ii) monitoring of the compliance of TARGET2 users with the mandatory security controls set-up by SWIFT as part of their Customer Security Programme.

AMI-Pay participants took note of the update.

5.  Any other business